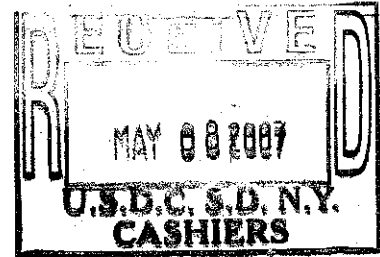


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Eugene J. O'Connor (EO-9925)
Timothy Semenoro (TS-6847)



UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

JUDGE SCHEINDLIN

-----X
STX PAN OCEAN CO., LTD.,

Plaintiff,

07 CV 3632
07 CV

v.

VERIFIED COMPLAINT

SOURCE LINK SHIPPING CO., LTD.,

Defendant.
-----X

Plaintiff STX PAN OCEAN CO., LTD. (hereinafter "STX PAN OCEAN"), by its attorneys, as and for its Verified Complaint against the Defendant SOURCE LINK SHIPPING CO., LTD. (hereinafter "SOURCE LINK"), alleges upon information and belief as follows:

JURISDICTION

1. This is an admiralty and maritime claim within the meaning of Rule 9(h) of the Federal Rules of Civil Procedure, and also falls under this Court's admiralty and maritime jurisdiction pursuant to 28 U.S.C. § 1333.

THE PARTIES

2. At all times material hereto, Plaintiff STX PAN OCEAN was and still is a foreign business entity duly organized and existing pursuant to the laws of a foreign country with and office and principal place of business in Korea.

3. The plaintiff is engaged in business as an owner or time chartered owner of ocean vessels pursuant to which it transports ocean cargo in exchange for payments of hire or freight.

4. At all times material hereto, Defendant SOURCE LINK was and still is a foreign business entity duly organized and existing pursuant to the laws of a foreign country with an office and principal place business at 15D Deji Mansion, 1888 Changjiang Road, Nanjing, China 210005.

5. The defendant is, among other things, a charterer of vessels.

FIRST CAUSE OF ACTION
FOR BREACH OF MARITIME CONTRACT

6. On or about January 22, 2007, STX PAN OCEAN entered into a Forward Freight Swap Agreement contract with SOURCE LINK (hereinafter referred to as the "Agreement").

7. Pursuant to the terms and conditions of this Agreement, the parties agreed to, among other things, a contract rate, contract ocean transportation routes, contract duration, a settlement date and rate, and that any disputes arising under the Agreement are to be submitted to the High Court of Justice in London, England, and is subject to English law.

8. At the conclusion of April 2007, the first month of the operation of the Agreement, and based on the agreed index of vessel hire rates, SOURCE LINK now owes STX PAN OCEAN in the amount of US \$1,181,539.34 as per the terms of the Agreement.

9. In breach of the Agreement, defendant COSMO has failed to pay this amount even though it has been demanded by and owed to STX PAN OCEAN.

SECOND CAUSE OF ACTION
FOR ANTICIPATORY BREACH OF MARITIME CONTRACT

10. Plaintiff repeats, reiterates and realleges paragraphs 1 through 9 with the same force and effect as if fully set forth herein.

11. Based on maritime industry sources, the public announcements of SOURCE LINK, and correspondence with SOURCE LINK, it is now obvious that the financial difficulties of SOURCE LINK will make it impossible for them to pay not only the amount of damages now due and owing, but also the expected amounts that will become due and owing over the remaining life of the Agreement.

12. Under English law, STX PAN OCEAN has a cause of action against SOURCE LINK for breach of contract because SOURCE LINK has expressed and/or evidenced its intention not to fulfill its obligations under the Agreement.

13. STX PAN OCEAN anticipates this additional damage to be in the amount of US \$3,111,000.00 for the combined months of May and June.

14. As previously indicated above, the Agreement provides that any disputes arising under said Agreement are subject to resolution by the High Court of Justice in London, England, and to be determined under English Law, none of which is deemed waived, and, in accordance with the terms of the Law and Jurisdiction clause, STX PAN OCEAN will pursue its claims against SOURCE LINK in London.

PRAYER FOR RELIEF

15. Notwithstanding the fact that the liability of SOURCE LINK is subject to determination by the High Court of Justice, there are now, or will be during the pendency of this action, certain assets, accounts, freights, hire payments, monies, charter hire, credits, effects, CHIPS credits, electronic fund transfers, payments for bunkers, goods or services, bills of lading,

cargo, debts and the like belonging to or claimed by the Defendant within this District and held by various parties, as garnishees.

16. Plaintiff believes that some of these assets, in bank accounts and/or as funds being transferred through intermediary banks, are located in this District in the possession of garnishees, including American Express Bank, Ltd., Bank of America, Bank of China, Bank of New York, Citibank NA, Deutsche Bank, HSBC (USA), JP Morgan Chase Bank, Standard Chartered Bank, UBS AG, Wachovia Bank, CHIPS, and possibly other banks or financial institutions located in New York.

17. As set forth in the accompanying affidavit of Timothy Semenoro, the Defendant cannot be found within this District within the meaning of Rule B of the Supplemental Rules for Certain Admiralty and Maritime Claims of the Federal Rules of Civil Procedure.

18. Because this Verified Complaint sets forth an *in personam* maritime claim against the Defendant and because the Defendant cannot be found within this District within the meaning of Rule B of the Supplemental Rules for Certain Admiralty and Maritime Claims of the Federal Rules of Civil Procedure, the requirements for a Rule B attachment and garnishment are met and Plaintiff seeks the issuance of process of maritime attachment so that it may obtain security for its claims against the Defendant and/or *quasi in rem* jurisdiction over the property of the Defendant so that an eventual judgment and/or award can be satisfied.

19. In addition to an attachment in the full amount of the claim as set forth above, Plaintiff also seeks an attachment over an additional sum to cover awardable attorneys' fees and costs which are recoverable pursuant to English law in the London litigation.

20. Plaintiff's aggregate claim against the Defendant amounts to US \$4,600,000.00, which is comprised of the underlying claim of US \$4,292,539.34 for damages plus estimated awardable interest, costs, and fees.

WHEREFORE, Plaintiff prays as follows:

A. That the Defendant be summoned to appear and answer this Verified Complaint;

B. That the Defendant not being found within this District, as set forth in the Declaration of Timothy Semenoro, then all of its assets, accounts, freights, monies, charter hire, credits, effects, payment for bunkers, goods or services, bills of lading, cargo and the like belonging to or claimed by the Defendant within this District up to the amount sued for herein be attached pursuant to Supplemental Rule B and to pay Plaintiff's damages;

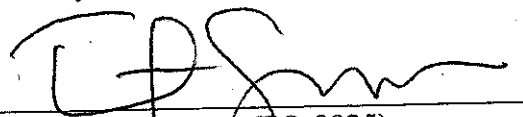
C. That this Court retain jurisdiction over this matter through the entry of a judgment either by this Court, and/or the London arbitration panel, so that judgment may be entered in favor of Plaintiff for the amount of its claim with costs, i.e. US \$4,600,000.00, and that a judgment of condemnation and sale be entered against the property arrested and attached herein in the amount of Plaintiff's claim, plus costs to be paid out of the proceeds thereof; and

D. That Plaintiff has such other and further relief as the Court may determine to be just and proper under the circumstances.

Dated: Port Washington, New York
May 4, 2007

CHALOS, O'CONNOR & DUFFY, LLP
Attorneys for Plaintiff

By:


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Timothy Semenoro (TS-6847)
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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
STX PAN OCEAN CO., LTD.,

Plaintiff,

v.

07 CV _____

**VERIFICATION OF
COMPLAINT**

SOURCE LINK SHIPPING CO., LTD.,

Defendant.
-----X

Pursuant to 28 U.S.C. § 1746, TIMOTHY SEMENORO, Esq., declares under the penalty of perjury:

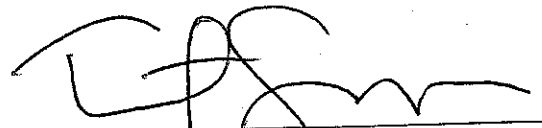
1. I am associated with the law firm of Chalos, O'Connor & Duffy, attorneys for the Plaintiff STX PAN OCEAN CO., LTD., herein;
2. I have read the foregoing complaint and knows the contents thereof; and
3. I believe the matters to be true based on documents and information obtained from employees and representatives of the Plaintiff through its underwriters and attorneys. The reason that this verification was made by deponent and not by the Plaintiff is because Plaintiff is a foreign corporation, whose officers are not in this district, and whose verification cannot be obtained within the time constraints presented by the circumstances of this case.

I declare under penalty of perjury that the foregoing is true and correct.

Dated: Port Washington, New York
May 4, 2007

CHALOS, O'CONNOR & DUFFY, LLP
Attorneys for Plaintiff

By:

A handwritten signature in black ink, appearing to be 'Timothy Semeroro', written over a horizontal line.

Timothy Semeroro (TS-6847)
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